



COLLIN COUNTY

Special Projects
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June 12, 2013

To: Judge Self and Commissioners

From: Ruben E. Delgado, P.E., Director of Engineering

Re: Approval of Settlement Agreement with Sure Tec Insurance Company
Pertaining to Payment and Performance Bonds Issued for Construction of
Drainage Structures on County Road 618 at Cedar Creek (Bond Project #07-103)
(Location Map Attached)

Sure Tec Insurance Company issued Payment and Performance Bonds in connection with drainage improvements being performed by their insured, JMI Maintenance Inc. on County Road 618 at Cedar Creek.

JMI did not construct the drainage improvements according to the engineering plans provided by Collin County. Specifically, two (2) box culverts were constructed approximately four (4) feet below plan grade. JMI subsequently failed to correct or remedy the situation and became non-responsive to county staff.

Collin County filed a Lawsuit against SureTec seeking recovery of damages resulting from JMI's breach of their construction contract. Subsequent negotiations with Sure Tec have resulted in them agreeing to pay Collin County **\$235,614.61**. This represents the full contract amount, less 5% retainage, which was held by Collin County and not paid to the contractor.

The Engineering Department requests Commissioners Court's approval of the attached Settlement Agreement and we will be available to answer any questions you might have.

xc: Bill Bilyeu
Monika Arris
Matt Dobecka
Jeff Durham